DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CERM-P (5-10b) 24 February 2003

MEMORANDUM FOR General Eric K. Shinseki, Chief of Staff, Army, 200 Army Pentagon, Washington, D.C. 20310-0200

SUBJECT: Commander's Narrative Assessment, FY05-09 Program Objective Memorandum (POM)

1. As you are aware, during the past year I have been focusing the U.S. Army Corps of Engineers (USACE) on supporting the Global War on Terrorism (GWOT), The Army in Transformation, and the Nation in disaster relief. As Commander, USACE, I have also focused on my dual responsibilities in the areas of anti-terrorism and force protection--to protect USACE personnel and facilities and to maximize engineering and construction technologies to protect all Army personnel and facilities. USACE, in normal operations, has personnel in approximately 90 countries. We currently have over 250 personnel throughout the U.S. and in 12 different countries actively supporting Operations Noble Eagle (ONE) and Enduring Freedom (OEF). We provide critical support to The Army through diverse missions including: Field Force Engineering and contingency support; domestic and international response, recovery and redevelopment; life cycle engineering for our Soldiers, their families and the public; and environmental stewardship and the management of our water resources. Through USACE, The Army leverages a totally cost-free (to The Army) valuable asset - our Civil Works people, expertise, equipment and facilities. Our management of national water resources and environmental stewardship sustains critical force projection capabilities. Our laboratories also provide a wide range of operational expertise for field commanders ranging from combat mobility to computer modeling. One example of this force multiplier is one of electrical engineers from our Hydrologic Design Center in Portland, Oregon who voluntarily deployed to Afghanistan to help in the construction of beddown facilities for the Afghan National Army.

2. 249th Engineer Battalion (Prime Power): As a result of the GWOT and ONE/OEF, I now have a critical force structure/OPTEMPO issue with the 249th Engineer Battalion (Prime Power). The 249th Eng Bn (PP) has been providing high voltage power to US forces in various contingency locations worldwide. In addition, the battalion was essential to executing The Army's mission to make good the President's promise to power up Wall Street in the aftermath of September the 11th. The Total Army Analysis (TAA) algorithms do not support the battalion's real world OPTEMPO. Given The Army's force structure ceilings, an alternative to increasing the battalion's force structure would be contractor augmentation to the battalion. As a basic concept we would replace soldiers and their generators with contractor support within 90 days. This would both reduce the OPTEMPO of our soldiers and expand the capabilities of the battalion. We have successfully supported requirements in the CENTCOM AOR by leveraging a USACE contingency contract tailored for support in civil disaster operations. During our

support to CENTCOM, we learned that the contract needs to be restructured for worldwide operations and the contractor needs to be funded for basic deployment planning. In addition, the capability must be written into Army and Joint doctrine and integrated into Combatant Command contingency plans if it is to be successfully executed. We are working with HQDA (G-3) to find the right force structure solution.

3. Countermine Initiative: During the FY04-09 POM build, ASA (ALT) created an approximately $80M Innovative Countermine S&T program. This capitalizes on USACE expertise in terrain and soil science and in engineering in conjunction with AMC's sensor expertise to significantly increase the probability of mine detection while reducing false alarm rates. The effort will help to facilitate assured mobility and sustained OPTEMPO for the Objective Force. In FY03, USACE has reprogrammed $1M in RDT&E resources to jumpstart key S&T projects in support of the FY04 initiation of the Innovative Countermine program. I need your help to continue these efforts.

4. Field Force Engineering: My number one resource priority has been and continues to be building the Field Force Engineering capability for The Army. The Field Force Engineering capability supports the geographical combatant commanders, maintains The Army Facilities Component System, develops engineer capabilities to support force projection, funds USACE planning and training with the Engineer Regiment (including combat, bridging, topographic, construction and facility engineers), and prepares reach back teams and personnel to deploy on short notice. Our teleEngineering capabilities can operate within the DOD command, control, and communications architectures or exploit commercial satellites to reach back to engineer expertise and computer models for real time solutions to commander challenges in the area of operations. Field Force Engineering couples the active duty engineer force with The Army's most highly skilled DoD engineering practitioners and computational assets. This provides engineer assessments to commanders within their decision making processes to assist in shaping the maneuver and support. I have submitted my concept plan and the Installation PEG has validated approximately $16M of the annual $20M requirement for this capability. HQDA has been funding this mission since FY01 in the year of execution and it is critical that we establish an executable permanent funding stream through the POM years. (Annual unfunded requirement, $12M, MDEP DFFE, Installation PEG)

5. Topographic Support: My second critical underfunded mission area, providing topographic support not otherwise available from either national or organic assets, directly impacts support to our combat soldiers. We have been funding critical topographic support to Operation Enduring Freedom through supplemental funding, however, an increased permanent funding level is required to maintain a base capability. Benefactors include both Army Component Commands and The Army staff. Army DCS G-2 consolidates, validates, and prioritizes requirements for topographic capabilities. Those requirements, together with other critical services to Army components, MACOMs, and Army developers, have grown dramatically in the last two years. Specifically, JCS Priority 1 requirements for topographic capabilities of Army Components have increased in each of the last three years, nearly doubling in two of those years. The growth in requirements reflects the criticality of this information to future readiness and its importance as a

key enabler for information dominance and superiority on the battlefield. However, as a result of this dramatic increase in mission requirements and previous funding cuts, we continue to have an annual shortfall of approximately $10M per year in this mission. At the request of the Training PEG, my staff has worked closely with Army DCS G-2 to identify the most critical of those requirements and we project the critical funding level to be $15-16M per year. This is the amount needed to fully fund the backlog deemed most critical by Army DCS G-2 and to continue to provide vital operational support to the topographic units in the field. The critical funding level requested affords The Army an opportunity to contribute a force multiplier to the transformed Army as it increases its dependence on terrain knowledge. Reductions below the requested level will severely erode Army's topographic support and cut directly into the baseline "911" response capabilities (infrastructure and personnel) to accomplish any topographic missions. (Annual unfunded requirement, $6M, MDEP EMAP, Training PEG)

6. Army Terrain and Weather Intelligence Center: My staff is currently working an Emerging Requirement with HQDA (G-2 and G-3) to provide real-time and near real-time terrain support not only for current, relevant operations - specifically, Operation Enduring Freedom and the War on Terrorism - but also for future operations for the Future Combat System (FCS) and the Objective Force. While this requirement is clearly articulated in current Army Doctrine (Army Imagery and Geospatial Information Services CONOPS and the FCS ORD), which specifies the need to establish links between the Topographic Engineering and the Intel and Security capabilities, it is un-resourced at this time. My plan to support this requirement is through the augmentation of INSCOM's Information Dominance Center with increased op-tempo (24/7) terrain and weather intelligence capabilities to enhance The Army's information dominance for current and future operations. These capabilities will include expanded operational support to provide rapid generation, update, management and dissemination of critical terrain analysis and IMINT databases. Resourcing this important, growing requirement will provide a "multi-intelligence" fusion capability. This assures the dynamic, timely geospatial intelligence required to effectively operate in today's battlespace environment and will directly support both the Combatant and The Army Component Commanders. (Unfunded requirement, $15M in FY05 and approximately $20M annually in FY06 through FY09, PEG and MDEP not yet determined)

7. Vulnerability of De-activated Nuclear Power Reactors: This unfinanced requirement is one which I continue to identify because of my concerns about The Army's political and financial liability. USACE is The Army's caretaker for three partially de-activated nuclear power reactors. All three power plants had their nuclear reactor cores removed in the 1970's and were placed in a "safe-store" condition: one onboard the Sturgis (a barge moored in the James River); one at Fort Belvoir, VA; and one at Fort Greely, AK. Since that time, USACE has managed them in accordance with their decommissioning plans and Army nuclear reactor permits. Based on recommendations by the United States Army Nuclear and Chemical Agency (January 1998), The Army needs to fully decommission the three reactors now instead of waiting until 2025. The VCSA has concurred with the concept for disposing of the reactors and directed the all hazards assessment of the reactor onboard the Sturgis - this has been completed.

a. In addition to the exponentially increasing disposal costs, I am concerned about vulnerability to terrorist attack and increasing difficulty of disposal. The Sturgis is particularly vulnerable to attack since it is moored in a public waterway immediately adjacent to a second nuclear vessel and access control is difficult. The Fort Belvoir plant is also situated on the Potomac River and in a heavily populated area. While the health and safety aspect would be relatively insignificant (only very low-level radioactivity remains), The Army would face a public relations nightmare as well as drastically increased costs and difficulty associated with an emergency clean-up.

b. The Army faces the potential of having no disposal site available for two of the three plants unless decommissioning is complete prior to 2008. Of the three commercial radwaste disposal sites presently available to The Army, the South Carolina site will close to The Army in 2008. The second site (Washington) is already not accepting Sturgis and the Fort Belvoir class wastes. The last site (Utah) has stopped applying for a license to handle Army class waste and is not available.

c. My immediate concern is funding for the two all hazards assessments which need to be done on the Ft Belvoir and Ft Greely sites prior to any clean-up disposal actions and beginning disposal of the Sturgis. The all hazards assessment has been completed on the Sturgis and, according to the assessment, the Sturgis could be disposed of for approximately $30M. This requirement has been briefed to the ASA(I&E) and to the Installation PEG. (Unfunded requirement, FY05, two all hazard assessments $4M; cleanup/disposal of the Sturgis, $30M across FY05-FY07, MDEP E3RE, Installation PEG)

8. DOD Recruiting Facilities Program: As the DOD Executive Agent, we execute the Recruiting Facilities Program. This program includes costs for real estate support, leases and maintenance for DOD recruiting facilities. The program includes storefront facilities for production recruiters for Army, Navy, Air Force, and Marines. The Joint Recruiting Facilities Committee (JRFC) establishes priorities for mission execution. The program has expanded rapidly in recent FYs to accommodate DOD-wide accession requirements. Additional funds are needed to pay for rent, utilities and maintenance for the new offices. Increases are related to phasing in new space and quality standards and additional recruiters that will be fielded for the Navy Reserve component. Additionally, protective measures for security at recruiting facilities may impact the current known unresourced requirement for FY04 and out years. (The unresourced requirement is: $1.863M in FY04; $3.621M in FY05; $3.801M in FY06; $3.963M in FY07; $4.138M in FY08 and $4,261M in FY09, MDEP QDPW, Installation PEG)

9. Transformation of Installation Management: In support of The Army's Transformation of Installation Management, my staff is working with the ASA(I&E), ACSIM and IMA staffs and the Installation PEG to maximize The Army's return on investment for our installations. We are reviewing how we resource The Army's real estate function, the use of new modeling tools to optimize installation capability to support the Objective Force, and how we resource The Army's power procurement and sales.

a. Real Estate Function: We are working with the ASA(I&E), ACSIM and IMA to determine the best realignment for resourcing The Army's real estate function. Currently, our districts are heavily engaged in supporting installations in their normal real estate activities (inleases, outleases, acquisitions, disposals) as well as several Army-wide initiatives including the expanded use of outleasing at three projects approved by Congressional oversight committees. The Army has a challenge in maintaining existing facilities and infrastructure while providing required new facilities and infrastructure. The Enhanced Leasing to Provide Public, Private Solutions, under authority of 10 USC 2667, offers a valuable tool to help meet the challenge of supporting the Transformation mission and providing quality of life for Soldiers and families. This initiative permits leasing installation real estate assets to enhance and strengthen the installation's mission objectives. This authority permits commanders to fund new construction from lease revenues, clarifies types of authorized in-kind consideration, and relaxes restrictions on where they can be used. Furthermore, this authority allows receipts from all outleases to be used for operation and maintenance of property or facilities. Leasing of Army's real property assets has the potential to become a core component of Army Transformation. We are also partnering with ACSIM in a joint Real Estate Action Committee, exploring options to automate all real estate transactions that require MACOM, USACE and ACSIM action. Both OCAR and the ARNG are included in this effort. Increased direct OMA funding of approximately $9M annually would allow USACE to provide critical support directly to our Army installations effectively and efficiently, by eliminating the fee-for-service structure now in place for real estate services. (MDEP E3RE, Installation PEG)

b. Fort Future Modeling Tools: We are also working with ACSIM and IMA to optimize fielding and utilization of Fort Future -- a suite of modeling tools that provides The Army with state-of-the-art decision support for sustainable installation planning, force projection, facility acquisitions, training lands and range modeling (encroachment and other factors, and force protections analysis.) Fort Future's development was funded with Research and Development funds; fielding and use now requires OMA funding. Our OMA requirement includes fielding Fort Future tools, installation planning workshops, Installation Transformation war games, and an installation support virtual battle lab. (Unfunded requirement, FY05, $1.9M; FY06, $706K; FY07, $1.1M; FY08, $718K and FY09, $1.1M, MDEP E3RE, Installation PEG)

c. Army Power Procurement and Sales: The Chief of Engineers is The Army's Power Procurement Officer, responsible to support acquisition of utility services at fair costs and to ensure that impacts of proposed utility rate increases are limited. This role also includes ensuring that procured utilities are properly resold to reimbursable users on installations. Army utilities procurement is big business (about $600M annually). Annual current investment of about $400K for utility rate intervention support helped realized a $10-12M cost avoidance in FY02. The $400K level of investment does not allow accomplishment of full mission support to The Army. An increase of about $800K annually (making annual total of $1.2M) is needed to fully defend Army interests and obtain savings/cost avoidances that The Army needs to achieve. This need for additional investment in Utility Procurement and Rate Intervention has been briefed to ACSIM and HQ IMA staffs, and they indicate their support. This utility procurement and sales function does not disappear with utilities privatization. An aging DPW workforce and

changing commercial utilities industry make this centralized support function increasingly important to minimize Army operational costs and to avoid disasters such as that experienced by the State of California. (Unresourced requirement, $200K annually, MDEP E3RE, Installation PEG)

10. Information Assurance (IA) Program: The Nation's commitment to Defeat Terrorism includes denying the enemy access to our information by reducing the enemy's ability to exploit weaknesses in our information systems and technology infrastructure (i.e., infostructure). The USACE IA Program is focused at providing the full range of "cyber" security protection to the Corps' infostructure which includes all information technology, automated information systems, local/wide area networks, software, hardware, databases, and webpages. The USACE Infostructure is a critical component of the Corps mechanisms for command and control, business transactions, and daily operations. The pressing demands for implementing Information Assurance Vulnerability Alerts (IAVA), adding new countermeasure technology, virus recovery, and their associated administration have significantly increased my in-house and contractor labor costs. Other requirements such as achieving Level III/Public Key Infrastructure (PKI) and implementing Common Access Card (CAC) across my infostructure and organization will compel us to modify our networks and mission critical applications to incorporate these mandated technologies. As a result of our last CFO/financial audit, USACE must take corrective actions to improve information assurance practices and eliminate security vulnerabilities that have been identified within our financial management system and general controls. (Unresourced requirements, $4M annually (MDEPs MS4X, MS4Z, MS3X, MX5T, MSEC, and QSEC, Installation PEG)

11. Technology Management: Technology and governance is another area in which USACE is currently underfunded. We have approximately 200 Automated Information Systems (AIS) in its Applications Investment Portfolio. Approximately 70 AIS in the portfolio are command standard applications that are used widely throughout the Corps in support of our military programs missions. In order to effectively maintain this infostructure and meet The Army's transformation strategies for knowledge management, in addition to the E-Government portion of the President's Management Agenda, USACE will be required to reengineer its current Enterprise Architecture/infostructure. We have, in the past, been able to redirect a significant amount of mission/project funds to resource much of these requirements. However, we are no longer able to do this while continuing to meet our mission, particularly in light of The Army Knowledge Management (AKM) goals and our increased involvement in Homeland Security initiatives. To achieve the sustainable environment envisioned to share information across The Army, web-enable applications, and maintain a robust, scalable, and interoperable infostructure, the Corps requires funding commensurate with what other MACOMs receive. (Annual unresourced requirement, $50M)

12. Human Capital: One final but critical requirement in which I need your support is ensuring USACE has the trained workforce necessary to continue to provide first class engineering, construction, disaster relief, environmental restoration, and water management services to The Army and the Nation. OMB recently recognized the Corps for our innovative and progressive

strategic human capital initiatives as part of the President's Management Agenda (Strategic Management of Human Capital). A permanent funding stream in the outyears is critical to institutionalize the People Objectives in my Campaign Plan (attract and retain a world-class workforce, create a learning organization, and develop leaders at all levels). The past severe OMA cuts hamper my ability to ensure these critical efforts fully transform the Corps to a learning organization. Our intentions are: to facilitate learning processes (just-in-time learning) by leveraging the capabilities of current government, industry and academic trainers and educators; to credential on-the-job training and experiential learning in unique areas of expertise; to overhaul and modernize the on-site training we now provide; to enhance Corps-unique best practices and learning cases in order to learn lessons across the Corps; and to develop leaders, coaches and mentors who understand and embody the principles and doctrine of a learning organization. This investment will result in a more efficient, effective, trained and ready Corps work force at reduced costs, and will have a high return on investment for USACE and The Army. (Unfunded requirement, $800K for FY05 and FY06, and $500K annually for FY07-09)

13. I seek your support of these efforts. We have many unique capabilities that support commanders, Soldiers, their families and the Nation but we must have the resources to execute these missions.

ROBERT B. FLOWERS
Lieutenant General, USA
Commanding